

Introduced by Senator Machado

February 20, 2004

An act to amend Sections 51203, 51243.6, 56738, and 56754 of, and to amend, repeal, and add Section 51243.5 of, the Government Code, relating to land conservation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1820, as introduced, Machado. Land conservation contracts.

(1) Existing law makes the current fair market valuations required to determine the cancellation fee for removing land from a Williamson Act conservation subject to appeal to the county board of equalization.

This bill instead would require the Department of Conservation, if it determines those current fair market valuations are inaccurate, to so inform the board of supervisors or city council considering the cancellation petition, and specifies the formula for the basis of the valuation for the cancellation penalty.

(2) Existing law provides that when a city annexes land that is subject to a Williamson Act land conservation contract between the landowner and the county, the city may exercise an option to not succeed to rights, powers, and duties of the county under the contract in specified circumstances.

This bill would repeal that option on January 1, 2006, and require that the city succeed to the contract when land under contract is annexed to the city. The bill would make related changes.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.



The people of the State of California do enact as follows:

SECTION 1. Section 51203 of the Government Code is amended to read:

51203. ~~The~~ *If the Department of Conservation determines that the current fair market valuations referred to in Section 51283, upon the request of either of the parties to the contract, shall be subject to appeal to the county board pursuant to Section 1605 of the Revenue and Taxation Code are not accurate, the department shall so inform the board of supervisors or city council considering the petition to cancel the contract. After the department has notified the board or council, the basis for the valuation of the cancellation penalty shall be the greater of the two following amounts:*

(a) *The original amount of the current fair market value of the property determined by the county assessor pursuant to Section 51283.*

(b) *An independent appraisal on behalf of the department that calculates current unrestricted fair market value of the property as if it were presently available use for which it is proposed.*

SEC. 2. Section 51243.5 of the Government Code is amended to read:

51243.5. (a) This section shall apply only to land that was within one mile of a city boundary when a contract was executed pursuant to this article and for which the contract was executed prior to January 1, 1991.

(b) For any proposal that would result in the annexation to a city of any land that is subject to a contract under this chapter, the local agency formation commission shall determine whether the city may exercise its option to not succeed to the rights, duties, and powers of the county under the contract.

(c) In making the determination required by subdivision (b), pursuant to Section 51206, the local agency formation commission may request, and the Department of Conservation shall provide, advice and assistance in interpreting the requirements of this section. If the department has concerns about an action proposed to be taken by a local agency formation commission pursuant to this section or Section 51243.6, the department shall advise the commission of its concerns, whether or not the commission has requested it to do so. The commission

1 shall address the department's concerns in any hearing to consider
2 the proposed annexation or a city's determination whether to
3 exercise its option not to succeed to a contract, and shall
4 specifically find that substantial evidence exists to show that the
5 city has the present option under this section to decline to succeed
6 to the contract.

7 (d) A city may exercise its option to not succeed to the rights,
8 duties, and powers of the county under the contract if both of the
9 following had occurred prior to December 8, 1971:

10 (1) The land being annexed was within one mile of the city's
11 boundary when the contract was executed.

12 (2) The city had filed with the county board of supervisors a
13 resolution protesting the execution of the contract.

14 (e) A city may exercise its option to not succeed to the rights,
15 duties, and powers of the county under the contract if each of the
16 following had occurred prior to January 1, 1991:

17 (1) The land being annexed was within one mile of the city's
18 boundary when the contract was executed.

19 (2) The city had filed with the local agency formation
20 commission a resolution protesting the execution of the contract.

21 (3) The local agency formation commission had held a hearing
22 to consider the city's protest to the contract.

23 (4) The local agency formation commission had found that the
24 contract would be inconsistent with the publicly desirable future
25 use and control of the land.

26 (5) The local agency formation commission had approved the
27 city's protest.

28 (f) It shall be conclusively presumed that no protest was filed
29 by the city unless there is a record of the filing of the protest and
30 the protest identifies the affected contract and the subject parcel.
31 It shall be conclusively presumed that required notice was given
32 before the execution of the contract.

33 (g) The option of a city to not succeed to a contract shall extend
34 only to that part of the land that was within one mile of the city's
35 boundary when the contract was executed.

36 (h) If the city exercises its option to not succeed to a contract,
37 then the city shall record a certificate of contract termination with
38 the county recorder at the same time as the executive officer of the
39 local agency formation commission files the certificate of
40 completion pursuant to Section 57203. The certificate of contract

1 termination shall include a legal description of the land for which
2 the city terminates the contract.

3 (i) *This section shall remain in effect only until January 1,*
4 *2006, and shall have no force or effect on or after that date, unless*
5 *a later enacted statute that is chaptered before January 1, 2006,*
6 *deletes or extends that date.*

7 SEC. 3. Section 51243.5 is added to the Government Code, to
8 read:

9 51243.5. On and after January 1, 2006, no city may decline to
10 succeed to the terms of a Williamson Act contract when land
11 subject to a contract is annexed to the city.

12 SEC. 4. Section 51243.6 of the Government Code is amended
13 to read:

14 51243.6. The Legislature finds and declares the following:

15 (a) The enforceability of contracts entered into pursuant to this
16 article is necessary to permit the preferential taxation provided to
17 the owners of land under contract, pursuant to Section 8 of Article
18 XIII of the California Constitution.

19 (b) The option granted to a city pursuant to Section 51243.5 to
20 elect not to succeed to a contract may be held only by the city *and*
21 *only with respect to annexations approved by the local agency*
22 *formation commission prior to January 1, 2006.*

23 (c) No contracting landowner has a reasonable expectation that
24 a contract can be terminated immediately pursuant to this article
25 without penalty.

26 SEC. 5. Section 56738 of the Government Code is amended
27 to read:

28 56738. If the proposal would result in the annexation to a city
29 of land that is subject to a contract executed pursuant to the
30 Williamson Act (Chapter 7 (commencing with Section 51200) of
31 Division 1), then the petition shall state whether the city shall
32 succeed to the contract pursuant to Section 51243 or whether the
33 city intends to exercise its option to not succeed to the contract
34 pursuant to Section 51243.5. *The city's option to not succeed to the*
35 *contract, if any, shall exist only for annexations approved by the*
36 *commission prior to January 1, 2006.*

37 SEC. 6. Section 56754 of the Government Code is amended
38 to read:

39 56754. (a) If a change of organization or reorganization
40 *approved by the commission prior to January 1, 2006, would result*

1 in the annexation to a city of land that is subject to a contract
2 executed pursuant to the Williamson Act (Chapter 7 (commencing
3 with Section 51200) of Division 1), the commission, based on
4 substantial evidence in the record, shall determine one of the
5 following:

6 ~~(a)~~—

7 (1) That the city shall succeed to the rights, duties, and powers
8 of the county pursuant to Section 51243, or

9 ~~(b)~~—

10 (2) That the city may exercise its option to not succeed to the
11 rights, duties, and powers of the county pursuant to Section
12 51243.5.

13 *(b) If a change of organization or reorganization approved by*
14 *the commission on or after January 1, 2006, would result in the*
15 *annexation to a city of land that is subject to a contract executed*
16 *pursuant to the Williamson Act (Chapter 7 (commencing with*
17 *Section 51200) of Division 1), the commission shall determine that*
18 *the city shall succeed to the rights duties, and powers of the county*
19 *pursuant to Section 51243.*

